



United States
Department of
Agriculture



Forest
Service

November, 2019

Decision Memo

OceanaGold US Holdings Inc. Spring Peak Exploration Drilling Project

Plan of Operations #02-19-02

**Bridgeport Ranger District, Humboldt-Toiyabe National
Forest,
Mineral County, Nevada**



Overview of the Spring Peak Exploration Drilling Project area, Mineral County, NV, looking northward. Displayed in the foreground are fossilized quartz reed casts. The fossilized reeds are a relic of the hot springs ecosystem that existed during the time of the epithermal event that is believed to have deposited precious metals in veins at depth below the western flank of Spring Peak.

INTRODUCTION

This Decision Memo (DM) documents the United States Forest Service (USFS) decision on the OceanaGold Spring Peak Exploration Drilling Project (Project) proposal submitted by OceanaGold US Holdings Inc. (OceanaGold) on May 20, 2019. The Project, assigned Plan of Operations number #02-19-02 (Plan), proposes to conduct mineral exploration activities on National Forest System lands located on the western margin of the Wassuk Range, Mineral County, Nevada, approximately 3.5 miles southwest of the historic town site of Aurora, Nevada.

LOCATION

The Project is located in the Bridgeport Ranger District approximately 25 miles southwest of the town of Hawthorne, Nevada. The Project Area lies on the western flank of Spring Peak, a prominent peak at the western margin of the Wassuk Range, adjacent and east of Bodie Hills. Exploration activities would occur within Sections 27, 28, 33, & 34, Township 5 North, Range 28 East, Mount Diablo Base & Meridian. The location reference maps for the project are the United States Geological Survey's (USGS) Mount Hicks & Cedar Hill 7.5-minute quadrangles. Access and general location for the project is shown on Figures 1 & 2.

There are no perennial streams, springs or ponds within the Project Area. The Project Area is located proximal and to the north of Larkin Lake Inventoried Roadless Area (IRA); however, none of the proposed project activity is located within the IRA.

UNITED STATES FOREST SERVICE MINERALS REGULATIONS AND POLICY

USFS policy in Title 36 Code of Federal Regulations Part 228 (36 CFR 228.1) states that use of the surface of National Forest System lands in connection with operations authorized by the United States mining laws (30 U.S.C. 21–54), which confer a statutory right to enter upon the public lands to search for minerals, shall be conducted so as to reasonably minimize adverse environmental impacts on National Forest System surface resources. While Federal law permits exploration and mining operations on National Forest lands; it also charges the agency with the prevention of unnecessary destruction of Forest lands and regulation of occupancy and use of the surface for purposes reasonably incident to prospecting, mining, or processing, primarily under the Organic Act of 1987 and the Multiple Use Mining Act of 1955.

Relevant policy in the Minerals and Geology Manual (FSM 2802) states that the Forest Service would:

- Encourage and facilitate the orderly exploration and development of mineral and energy resources on National Forest System lands to maintain a viable, healthy minerals industry, and
- Ensure that exploration, development, and production of mineral and energy resources are conducted in an environmentally sound manner.

PURPOSE AND NEED FOR THE PROPOSED ACTION

The agency's need is to respond to the proponent's submittal of a Plan of Operations (POO) and to ensure operations will be conducted so as to minimize adverse environmental impacts on National Forest surface resources (36 CFR 228.8, Subpart A) where feasible. The purpose of this proposed action is to authorize mineral exploration activities consistent with the statutory right of the proponent to explore for and develop mineral resources on federally-administered lands under the General Mining Law of 1872 and with other laws and regulations. The decision for the Forest Service to make is whether to approve the POO as submitted or to approve it with additional measures to protect surface resources. The proponent's need is to determine if economically viable mineral deposits exist within the proposed project area, and to define the nature, extent,

shape, and economic value of such deposits. The Forest Service must process proposed mining operations in a timely manner when they are submitted in accordance with regulations (36 CFR 228.4).

PROPOSED ACTION

The proposed action is for the Forest Service to authorize OceanaGold to conduct mineral exploration for precious metals by drilling boreholes at up to 23 proposed sites on lands managed by the Forest Service. Access to drill sites will utilize existing Forest Service system roads, existing, non-system road, overland travel routes, and constructed roads. The project is expected to commence in the spring/summer of 2020 and would have a duration of one year.

OceanaGold proposes to drill exploration reverse-circulation boreholes to collect subsurface rock samples at up to 23 drill sites. The proposed drill sites will each have a working area with dimensions of approximately 60 by 70 feet. A 6 foot deep sump with surface dimensions averaging 15 x 20 feet will be excavated within the drill site to collect drill cuttings and capture and contain drill fluids. Up to a maximum of five (5) boreholes are proposed for each of the 23 drill sites.

The depth (drilled length) of the drill holes is proposed to range from 1,000 feet to 1,500 feet, and at an angle of up to 45 degrees from the horizontal. The drill pads will be accessed utilizing existing system & non-system roads, overland travel, and approximately 2,897 feet of constructed access road. Slopes range from zero to 15 percent in the Project Area. Locations of the drill sites may be adjusted based on the results of biological and cultural surveys in order to avoid any sensitive areas. The total surface disturbance proposed by the Project is 4.42 acres.

OceanaGold proposes to conduct exploration drilling utilizing a truck or track-mounted core and/or reverse circulation drill rig. Drilling operations will be managed to capture and control rock cuttings, prevent the discharge of drill cuttings and fluids into drainages or down-slope areas, and to keep work sites safe and clean. All drill holes will be plugged before the drill rig vacates the drill site so that only one hole will be open at any given time. All drill holes will be plugged as an operational procedure immediately after completion of drilling in accordance with Nevada Administrative Code (NAC) 534.4369, NAC 534.4371, NAC 534.4373, NAC 534.4375 and USFS standards.

Equipment required for the Project will include one truck or track-mounted reverse-circulation drill rig and/or one truck or track-mounted core rig, one D-8 (or equivalent) bulldozer, one 4,000 gallon water truck, one backhoe, one excavator, one portable light plant (including generators), one ATV, two 1-ton trucks for transportation of drilling supplies to and from the project, and up to four 4WD pickup trucks for the transportation of Project personnel and drilling-associated materials, including fuel. Work crews will stay in surrounding towns and commute daily to the Project Area.

Constructed road and drill pad construction will be accomplished utilizing a backhoe and an excavator or D-8 sized (or smaller) bulldozer. Constructed access routes will be a maximum of 15 feet in width, with a grade not to exceed 15%. Overland travel, as opposed to route construction, will be utilized wherever possible. Culverts are not anticipated to be necessary, as no perennial streams will be crossed. Vegetation and top soil will be stockpiled whenever practical in areas where significant soil disturbance is required.

Specific measures designed to minimize adverse environmental impacts currently include, but are not limited to, the following:

OceanaGold Spring Peak Exploration Drilling Project

- All equipment would be washed prior to entering the area to prevent the introduction of noxious weed seeds.
- Dust control will be accomplished by watering access routes as necessary.
- Cultural resources identified during a survey of the project area would be avoided by Project activities.
- If undiscovered archaeological or cultural resources are encountered during Project work, activity in that area would cease immediately, the Forest Service would be notified, and the resources would be evaluated. The results of the evaluation would determine subsequent action.
- If ground disturbing activities occur during the avian breeding season (March 1st - July 15th), mitigation measures such as nest surveys by qualified biologists and buffer zones around active nests will be implemented to reduce impact to migratory bird activity to the extent possible.
- Work will be restricted during the March 1st - June 30th for the Bi-state sage grouse breeding and nesting period.
- Artificial lighting will be downward-directed in order to reduce light pollution, provide for public safety, enhance the visitor's "dark sky" experience, and reduce impacts to wildlife.
- Sumps will include escape ramps for wildlife and livestock.
- A maximum speed limit of 25 miles per hour will be maintained in the Project Area to reduce the potential for vehicle-wildlife related collisions.

Reclamation

Reclamation will be completed to the standards described in regulations 36 CFR 228.8(g). Overland travel routes will be ripped if they become overly compacted or rutted. All surface disturbance will be seeded with a Forest Service approved, weed-free seed mix at the appropriate time of year and at an application rate for optimum seed sprouting and plant growth. Seeding will be completed using a broadcast method and then raked. Reclaimed surfaces will be left in a textured, or rough, condition to enhance revegetation.

Seeded areas will be monitored for stability and revegetation success in accordance with the revegetation standards established in the Nevada Guidelines for Successful Revegetation for the Nevada Division of Environmental Protection, the Bureau of Land Management, and the USDA Forest Service, Attachment B (Instruction Memorandum #NV-13).

Duration

Surface disturbance activities resulting from this project, including reclamation earthwork, would be one year or less. Deviation from the approved reclamation design features that would result in ground disturbance would require a new Plan of Operations or further review and approval.

The complete Plan is included in the Project Record and is incorporated by reference.

DECISION

I have decided to approve exploration activities for the OceanaGold Spring Peak Exploration Drilling Project on the Humboldt-Toiyabe National Forest, as described above under the "Proposed Action" and further detailed in the Plan.

The action to authorize exploration activities is categorically excluded from documentation in an environmental impact statement (EIS) or an environmental assessment (EA) because the proposed action falls within category 8, short-term (one year or less) mineral, energy, or geophysical investigations and their incidental support activities that may require cross-country travel by vehicles and equipment, construction of less than one mile of low standard road (Service

Level D, FSH 7709.56), or use and minor repair of existing roads (36 CFR 220.6(e)(8)). The total duration of exploration program implementation will not exceed one year from initiation of approved activities.

I find that there are no extraordinary circumstances that would warrant further analysis and documentation in an EA or EIS. I took into account resource conditions identified in agency procedures that should be considered in determining whether extraordinary circumstances might exist pursuant to 36 CFR 220.6[b]:

- **Federally listed threatened or endangered species or designated critical habitat, species proposed for Federal listing or proposed critical habitat, or Forest Service sensitive species.**

A Wildlife Specialist Report and Biological Evaluation/Biological Assessment (BE/BA) of the Project area was completed by Tetra Tech under the guidance of the Bridgeport District Wildlife Biologist in order to evaluate the potential effects of the project to USFWS listed threatened, endangered, and proposed species and U.S. Forest Service (USFS) Region 4 Sensitive Species.

Based on the analysis provided in the Wildlife BE/BA, the proposed action would not result in adverse effects to USFWS ESA-listed species, Forest Service Sensitive wildlife species, management indicator species, golden eagles, other migratory birds, or other species of interest. Effects are expected to be negligible to minor due to the limited size of the project (4.42 acres), and short-term. Seasonal restrictions and other conservation measures included in the proposed action would minimize direct and indirect impacts to species, and ensure reclamation of disturbed habitat (Tetra Tech Inc., Wildlife BE/BA Report #114-520444).

USFS Sierra Zone botanist Tim Kellison prepared a BE/BA for Region 4 Forest Service sensitive and federally listed plant species. Four sensitive plant species are either known from, or have potential habitat within, the Project area. Direct impacts to Bodie Hills draba and Lavin's milkvetch are expected, but detrimental effects to these populations within the project area would be minimal since the majority of plants comprising these known occurrences are not located where project activities are proposed.

Some potential indirect effects to Sensitive plants and potential habitat may be beneficial, while potential adverse effects would be reduced by the proposed reclamation activities and the incorporation of noxious weed control measures. It was determined within the botany BE/BA that "the implementation of the OceanaGold Spring Peak Exploration Drilling Project may affect individuals, but is not likely to result in a trend toward Federal listing or loss of viability for Lavin's eggvetch (*Astragalus oophorus* var. *lavinii*), Bodie Hills draba (*Cusickiella quadricostata*), Wassuk beardtongue (*Penstemon rubicundus*), or Masonic Mountain jewelflower (*Streptanthus oliganthus*)".

No effect to other Region 4 Sensitive plant species from the implementation of the Spring Peak Project is anticipated, as they are either not known from the project area or there is no potential habitat for these species within the project boundary.

- **Floodplains, wetlands, or municipal watersheds.**
The project area is not within any municipal watersheds, or wetlands.
- **Congressionally designated areas such as wilderness, wilderness study areas, or National Recreation Areas.**
The project is not located within any Congressionally designated area.
- **Inventoried roadless areas or potential wilderness areas.**
Project activities are not proposed within an Inventoried Roadless or potential wilderness area.
- **Research natural areas.**
The project is not located within or near any RNA.
- **American Indians and Alaska native religious or cultural sites.**
No American Indian religious or cultural sites in the project area were identified during the scoping and tribal consultation process.
- **Archaeological sites or historical properties or areas.**
The district archaeologist for the Bridgeport Ranger District performed an archaeological survey on the direct area of potential effect. Effects on cultural resources were found to be temporary and minor (report R2019041702829). The Bridgeport Ranger District has determined that there will be no effect to historic properties as a result of this mineral exploration plan. SHPO concurred with the Forest Service determination by letter on September 21, 2019 (undertaking #2019-6077) in determining a finding of **No Adverse Effect** to historic properties under the National Historic Preservation Act (NHPA) of 1966, as amended.

In addition to the above, I have considered other elements of the analysis in my determination that there are no extraordinary circumstances as defined by the National Environmental Policy Act (NEPA), or other adverse effects associated with this project that will necessitate documentation in an EIS or EA. I have also considered the potential for cumulative effects and arrived at the conclusion that without notable direct or indirect effects, there will be no cumulative effects. My conclusion is based on (1) comments received during public involvement efforts and (2) the minimal environmental effects expected as a result of my decision.

The conclusions summarized in this document are based on a review of the project's record that reflects best available science and consideration of relevant scientific information and responsible opposing views where raised by internal or external sources. Further, the analysis reflects that management direction, findings, and conclusions are consistent with the Forest Plan.

PUBLIC INVOLVEMENT

Project information was entered in the Forest Service's Planning Appeals and Litigation System (PALS) database on July 15, 2019 and subsequently published to the Schedule of Proposed Actions (SOPA), which can be viewed by the public. A Scoping document requesting public comment was mailed out to interested individuals, organizations, and agencies on the District mailing list and uploaded to the Humboldt-Toiyabe National Forest web page for NEPA projects on August 8, 2019. A notice was sent by email to the Nevada Clearinghouse for state agencies on August 8, 2019.

Comments on the Project were received from the State of Nevada Department of Wildlife and the Bodie Hills Conservation Partnership. Comments on an earlier version of the Project (*Radius Gold Spring Peak Exploration Project, 2017*) were also considered in the project design and evaluation process. Comments on the earlier version of the Project were received from the Nevada State Land Use Planning Agency, Nevada Division of Environmental Protection - Bureau of Water Pollution Control, Nevada Division of Environmental Protection - Bureau of Air Pollution Control, Nevada State Historic Preservation Office, Nevada Division of Water Resources, Bodie Hills Conservation Partnership, Basin and Range Watch, Center for Biological Diversity, Wildlands Defense, and the Bi-State Action Plan Working Group.

Comments received from State agencies and public and private organizations during the scoping period were directly or indirectly addressed in the Plan of Operations, specialist's reports, and/or the biological evaluation report. Based on public comment, as the responsible official I have determined that no extraordinary circumstances exist pursuant to 36 CFR 220.6[b] that would warrant further analysis in an EA or EIS. Public comments may be viewed in the project record.

TRIBAL INVOLVEMENT

On two occasions prior to Oceana's Spring Peak Plan-of-Operations in 2019, Bridgeport Ranger District has consulted with area tribal governments related to the Spring Peak area, including the 2013 Spring Peak burned tree cut-and-slash operations and again for the 2017 Radius Gold Spring Peak Plan-of-Operations (report R201704172656). For the 2019 Oceana Gold project, the following tribes were provided information regarding the plan-of-operations and given the cultural resources report (a redacted version to tribes lacking a Tribal Historic Preservation Officer, 'THPO'): Bridgeport Indian Colony, Yerington Paiute Tribe and Walker River Paiute Tribe. On August 5, 2019, Jan Cutts (Bridgeport District Ranger), Melyssa Navis (Forest Tribal Liaison) and Eric Dillingham (Bridgeport Ranger District Archaeologist) met with the Bridgeport Indian Colony THPO and provided a map and reviewed prior efforts. To date, there has been not been any reply from any tribe regarding the presence or status of any potential historic property, including Traditional Cultural Properties, nor has any tribe reported any other sensitive tribal resources in the area.

FINDINGS REQUIRED BY OTHER LAWS AND REGULATIONS

This decision conforms to the Toiyabe National Forest Land and Resource Management Plan, as required by the National Forest Management Act of 1976, as amended. Applicable management plan standards include those for Minerals (p. IV-57 to 59), Soil and Water (p. IV-40 to 41), and Management Area Direction (p. IV-112 to 119). In addition, it is consistent with other laws, regulations, and policy, including the following:

- The Mining Act of 1872, as amended, 30 U.S.C. §§ 21-54 (1994), which confers a statutory right to enter upon the public lands to search for and mine minerals,
- 37 CFR 228 Subpart A-Locatable Minerals,
- FSM 2600 Wildlife, Fisheries, and Sensitive Plant Habitat Management; FSH 2609.13 Wildlife and Fisheries Program Management Handbook,
- Endangered Species Act,
- Migratory Bird Treaty Act,
- National Clean Water Act, as amended,
- Executive Order 11988 - Floodplain Management,
- Executive Order 12898 - Environmental Justice,
- National Historic Preservation Act and 36 CFR Part 800 – The Section 106 Process,
- Humboldt-Toiyabe FSM Supplement to Chapter 2080 – Noxious Weeds Management,

- FSM 7711 Transportation Analysis.

I find that this Decision is consistent with all other applicable Federal, State, and local laws or requirements.

DISCLAIMER

Approval of this Plan does not constitute recognition or certification of ownership by any person named as owner therein. Approval of this Plan does not constitute, now or in the future, recognition or certification of the validity of any mining claim to which it may relate or to the mineral character of the land on which it lies.

ADMINISTRATIVE REVIEW OPPORTUNITIES

This decision is not subject to appeal pursuant to the Agricultural Act of 2014 (Public Law No. 113-79, Section 8006) and the Consolidated Appropriations Act of 2014 (Public Law No. 113-76, Section 431).

IMPLEMENTATION DATE

The proposed actions described in this decision may not be implemented until:

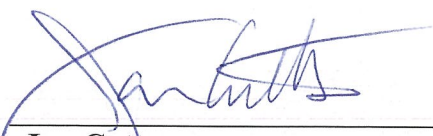
- The Forest Service has an approved reclamation bond posted by OceanaGold US Holdings Inc.
- OceanaGold US Holdings Inc. has signed acceptance of, and the District Ranger has approved, the final Plan of Operations.
- OceanaGold US Holdings Inc. has secured any other applicable state, local, and federal permits and authorizations.

RESPONSIBLE OFFICIAL

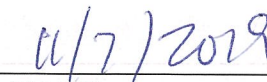
The responsible official for this project is Jan Cutts, District Ranger, Humboldt-Toiyabe National Forest, HC62, Box 1000, Bridgeport, CA 93517 or (760) 932-5801 or janette.cutts@usda.gov.

CONTACT

For further information regarding this project, please contact David Risley, Zone Geologist, Bridgeport & Carson Districts, at (760) 932-5821 or david.risley@usda.gov.



Jan Cutts
District Ranger
Bridgeport Ranger District
Humboldt-Toiyabe National Forest



DATE

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

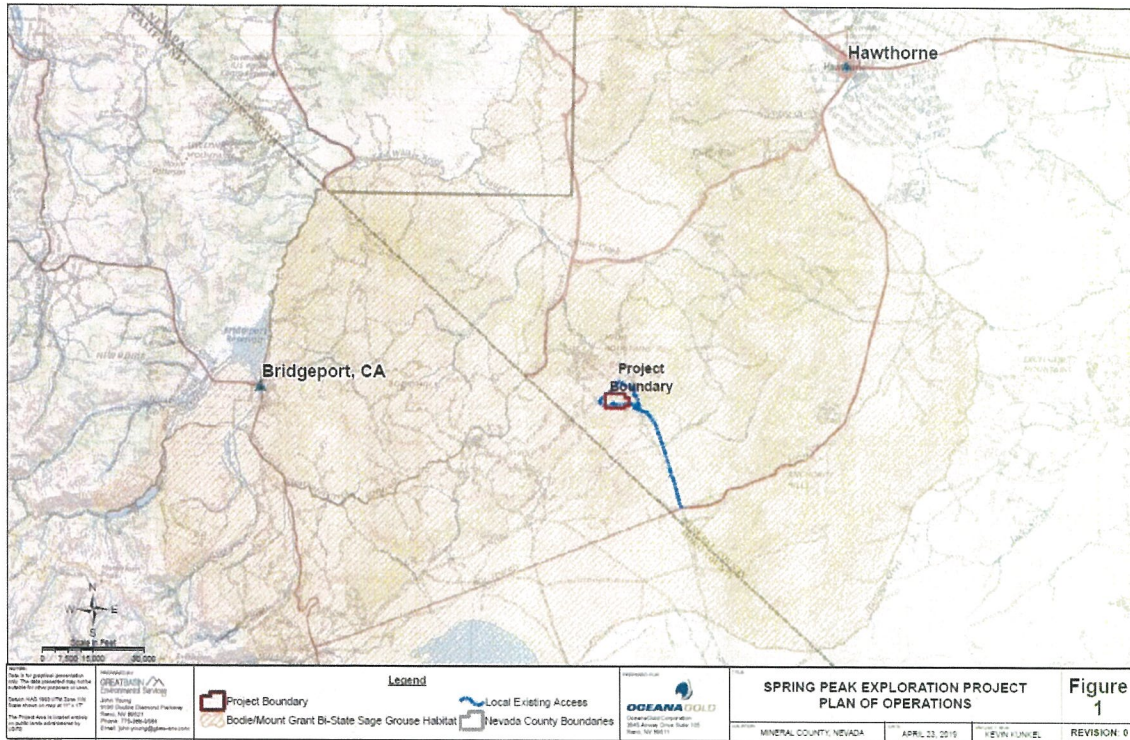


Figure 1. OceanaGold Spring Peak Exploration Drilling Project – Location of Project Area on the western flank of Spring Peak, Mineral County, Nevada, and Primary Access Route from State Route 359.

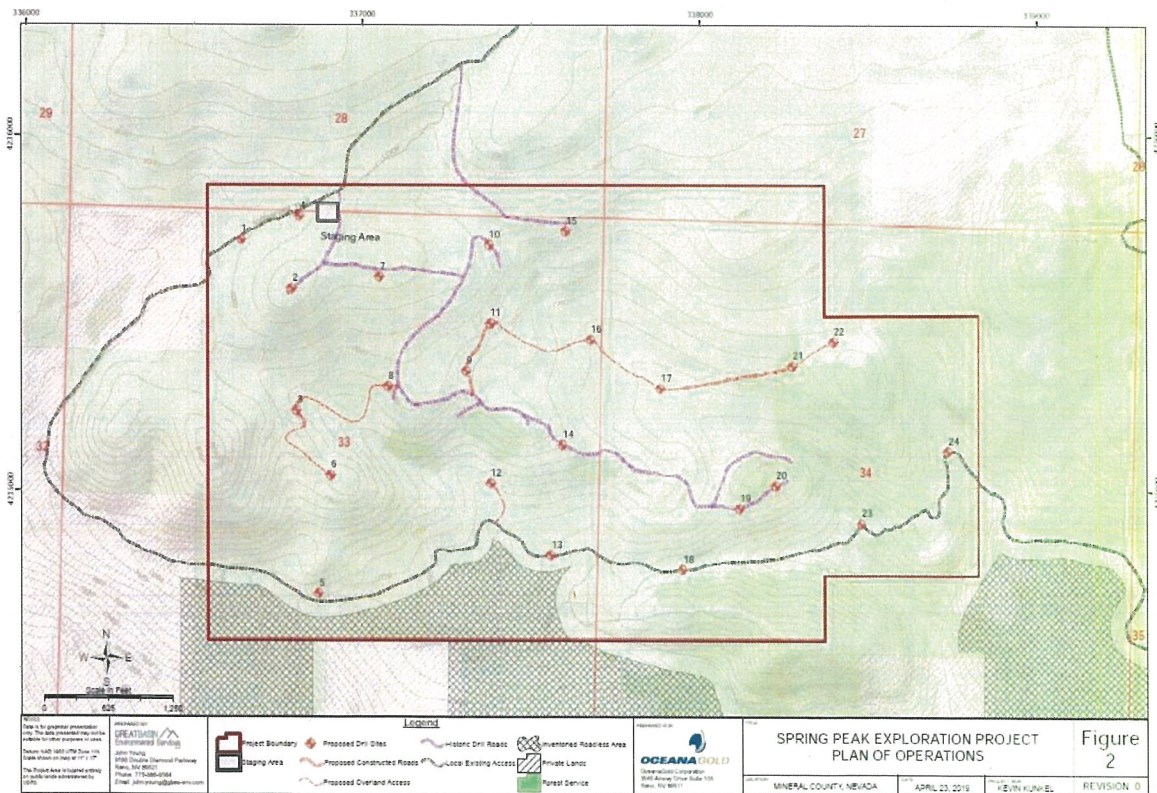


Figure 2. OceanaGold Spring Peak Exploration Drilling Project – Proposed Drill Sites, Existing Forest Roads, and Constructed & Overland Travel Routes.